Previous references.
B May 13 Ses 1-2, 5-7,
12 14, 22 & 23 G.7-23-11

1911.
(Gen Fin)

File No. 23-11

Serial Nos. 24, 25, 26 & 27

Later references.
B Aug 13 Ses 6, 7, 09 G. 23-11-12

S. F. 14 of 16 Ses 46 1, 6, 9,
10, 13, 18-20,
& Feb 17
7 96-20 (1, 6-10)
796-20-11-14.

GENERAL AND REVENUE SECRETARIAT.

G-21-E

Serial Nos. 24, 25, 26 & 27

Part B. for April 13

SUBJECT.

Re: Mortgage deed executed by the Mysore Spinning & Manufacturing Co: Ltd

24 From A Sirur & Co. Agents to the Mysore Spinning and manufacturing Co: Ltd, Bombay.
No - Dy 25-1-13
Forwards the mortgage deed of the Company and requests to acknowledge the receipt of the same and to return to them the draft copy of this document as also the deed of Release executed by Govt.

25 To the Comptroller No 2E 5286 Dy 19.3.13.
Forwards for safe custody the mortgage deed received with Sl 24.

G. R. S. 58

26 To the Agents, Mysore Spinning & Manufg Co:
No 5285 Dy 19.3.13
Acknowledges receipt of mortgage deed received with Sl 24.

G.R.S. 11] 191 1.

GENERAL AND REVENUE SECRETARIAT.

(G-7)

NOTES.

File No. 23-11

FILE HEADING.

Re. Mortgage deed executed by the Mysore Spining & Manufacturing Co:

From

No.	Dated	Received

Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

P. T. O.

NOTES—First Sheet.

GPB—30,000—12-8-11

(2

G. R. S. 12]

General and Revenue Secretariat.

G F File No. 23 of 1911-12

Serial No.	
24	From N. Sirur & Co. Agents The Nipani Spinning & Manufacturing Co Ltd: Bombay. No. — Dt 25-1-13. Forwards the Mortgage deed of the Company and requests to acknowledge the receipt of the same and to return to them the draft copy of the document as also the deed of Release executed by Govt. Financial Assistant Secy's order:- "Send Mortgage Bond to Comptroller for safe custody" (Sd) J. L. N. R. 28-1-13. Drafts submitted for approval or for other orders.
30-1-13	BM. Where is the deed of Release I cannot see it. Keep the draft deed of release here. 30.1.13
	Subd. It has not been received after registration BM. 31/1/13. Mem: What is the meaning of putting up the draft. The Legn Office receipt has nothing to do with the deed of

* Subd
The draft will issue after receipt of the Release deed

NOTE—Contn. sheet.

X Received from the Supdt Bombay 5-2-13

GPB—65,000—17-6-12.

G. R. S. 12]

General and Revenue Secretariat.

G. F. File No. 23. of 1911-12.

Serial No.

When Sent 1.2.13

Sicha

The deed of Release executed by Govt in favr of the Company was received from the Dt. Registrar today and submitted herewith. Attention is invited to page 2 of the deed and the omission of the date has to be filled up before it is sent to Company. The draft deed of release has been subd to Dewan along with the file. The original is therefore kept here in the cover.

The original reconveyance release deed together with the draft Mortgage deed shown be sent to the Company & the Mortgage deed & the draft deed of reconveyance release should be sent back to Govt for safe custody. Please put the necessary through Secretariat Clerk.

8.2.13

Subd Now that the deeds have been received duly registered, the drafts already put up have to be ordered to be issued

13/3 Dewan

Necessary have already been done

17.8.13

x marked in pencil) has been already noticed and need not be considered again

Dewan

Dewan 14/3/13

NOTE—Contn. sheet.

GPB—20,000—20-1-12

(24)

General and Revenue Secretariat.

G.A. File No. 23 of 1911

Serial No.	
25	To the Comptroller No. 71. 5286 dt 19-3-13 For safe custody the mortgage deed received with Sl. 24.
26	To the Agents, Mysore Spinning & Manfg Co. No. 5285 dt 19-3-13 Acknowledges receipt of mortgage bond received with Sl. 24 and returns the draft mortgage deed together with the deed of release executed by the Govt.
27.	From the Comptroller No. A. B+R. 86 dt 20-3-13. Acknowledges the receipt of the mortgage deed executed by the Mysore Spinning & Manufacturing Co Ld. to secure the loan of 3 Lakhs sanctioned to the Company by Govt. Filed for information

Ob-to B

NOTE—Contn. sheet.

Routine Notes.

N. SIRUR & Co.
AGENTS.

TELEGRAMS:
Jamundi: BOMBAY and BANGALORE.

The Mysore Spinning & Manufacturing Company, Limited.

Asst. SECY. FIN. FOR DISPOSAL.
28 JAN. 1913

Bombay, 25th January 1913.

DIARY No. 2737
10/2-1913
SECTION F.F.
FILE No. 23-11.
SERIAL No. 24.

To

J.S.Chakravarti Esq.,
Financial Secretary to the
Government of Mysore,
BANGALORE.

Sir,

We have the honour to send herewith the Mortgage deed of the Company to the Goverment, receipt of which please acknowledge. We shall thank you to return us the draft copy of this document which is with you as also the deed of Release executed by Government whic might have been returned to you by the Registrar to whom it was tendered for registration.

We have the honour, to be,

Sir,

Your obedient servants,

N. Sirur & Co.
Agents.

ENCK: 1

Melvum No 24 G 723-11 (1/a)

THIS INDENTURE made this day of

One thousand nine hundred and ~~eleven~~ twelve BETWEEN THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJAH OF MYSORE (hereinafter called "the Government" which expression shall unless excluded by or repugnant to the context be deemed to include the said Government and its successors and assigns) of the one part and THE MYSORE SPINNING AND MANUFACTURING COMPANY LIMITED a Joint Stock Company incorporated under the Indian Companies Act 1882 and having its registered Office in Bombay and its Mill premises at Bangalore in the territories of His Highness the Maharajah of Mysore (hereinafter called "the Company" which expression shall unless excluded by or repugnant to the context be deemed to include the said Company and its successors and assigns) of the other part WHEREAS by an Indenture of Mortgage bearing date the Twenty second day of October One thousand eight hundred and eighty eight and expressed to be made between the Maharajah of Mysore Spinning and Manufacturing Company Limited (hereinafter called "the said Old Company") of the one part and the Government of the other part the hereditaments and premises therein described as the immoveable and moveable properties Mill machinery stock and effects of

the

the said old Company together with the buildings machinery and Mill gear thereafter erected constructed and supplied were mortgaged by the said old Company to the Government to secure the repayment of a sum of Rupees Two Lacs with interest thereon at the rate of six per cent per annum payable in the manner therein mentioned AND WHEREAS by an Indenture of Further Charge bearing date the twenty fourth day of January One thousand eight hundred and ninety and expressed to be made between the said old Company of the one part and the Government of the other part the said hereditaments and premises were further charged with the repayment of the sum of Rupees Fifty thousand lent and advanced by the Government to the said old Company with interest on the said sum at the rate of six per cent per annum AND WHEREAS in or about the year One thousand eight hundred and ninety four the said old Company was voluntarily wound up and by an Agreement bearing date the Twentieth day of February One thousand eight hundred and ninety four and expressed to be made between the said old Company of the first part James Scott of Bombay European Inhabitant and Shapurji Burjorji also of Bombay Parsi Inhabitant the Liquidators of the said old Company of the second part and the Company of the third part upon such winding up of the said old Company as aforesaid the property business and goodwill of the said old

Company

Company were taken over as a going concern by the Company subject to all debts liabilities and engagements and inter alia subject to the said Indentures of Mortgage and Further Charge bearing date respectively the Twenty second day of October one thousand eight hundred and eighty eight and the Twenty fourth day of January One thousand eight hundred and ninety AND -- WHEREAS the rate of interest payable under the said Mortgage and Further Charge was subsequently reduced to five per cent per annum through the intercession of the Agents of the Company who also obtained further concessions in the terms of the said Mortgage and Further Charge but such reduction of interest and such concessions were not evidenced by any formal deed or agreement AND WHEREAS under and by virtue of one of the -- concessions aforesaid which authorised the Company to pledge or mortgage its floating stock and to raise moneys on the security thereof the Company by an Agreement bearing date the Sixteenth day of February One thousand eight hundred and -- ninety eight and expressed to be made between the Agents of the Company of the first part the Company of the second part and Sadashiv Shankar Wagh of Bombay Hindu Inhabitant of the third part agreed to borrow moneys from the said Sadashiv Shankar Wagh from time to time to the extent of Rupees One Lac and granted to him as security for the said loan a first lien or

charge

charge on the whole of the raw cotton yarn and cloth of the Company from time to time and for the time being in the godown of the Mill premises at Bangalore AND WHEREAS by a Memorandum of Agreement bearing date the ———— day of August One thousand nine hundred and one and expressed to be made between the same parties as were parties to last recited Agreement it was declared that the charge created by the said last recited Agreement in favor of the said Sadashiv Shankar Wagh extended to all stock whatever of the Company then at outstations or thereafter to be despatched to outstations or to places outside Bangalore for sale by the Company's Agents or otherwise for sale on the Company's behalf and also to all proceeds and moneys arising from and then due and payable and thereafter to become due and payable in respect of all sales of the Company's Stock sold and disposed of at Bangalore and elsewhere AND WHEREAS in pursuance of the said Agreement and in exercise of the power reserved to the said Sadashiv Shankar Wagh in that behalf under the said Agreement the said Sadashiv Shankar Wagh demanded immediate payment of the amount due to him on the Third day of December One thousand nine hundred and one and in default of payment commenced to sell the Company's goods and to realize the debt due to him under the said Agreement out of the sale - proceeds thereof AND WHEREAS the Company being subsequently

unable

unable to pay its debts and liabilities it was in the year One thousand nine hundred and one intended to wind up the same voluntarily but the said Agents having again at the desire of the Shareholders of the Company made an appeal to the Government for further pecuniary assistance and to save the Company from liquidation the Government was graciously pleased to comply with their request on certain terms which after certain modifications were embodied in a Scheme of arrangement expressed to be made between the Company their Agents past and present the Government and the other creditors of the Company AND WHEREAS the said Scheme was approved of by the Government and at an Extraordinary General Meeting of the shareholders of the Company held on the Twenty eighth of November One thousand nine hundred and three it was finally adopted by the Company as approved of by the Government AND WHEREAS more than three fourths in number and value of the creditors of the Company acceded to the said Scheme and no appeal was preferred against the same by any dissenting or silent creditors of the Company AND WHEREAS the said Scheme inter alia provided that the Company should withdraw the agency of the Company from its then Agents Messrs.P.Chrystal and Company which Firm declined to continue as Agents on the reduced terms of remuneration proposed and that the members who then constituted or might

thereafter

thereafter constitute the firm of Messrs.N.Sirur and Company should be appointed Agents in the place of the said Messrs.P. Chrystal and Company on the terms of remuneration mentioned in the said Scheme AND the said Scheme also provided that the Company should procure restoration of its moveable property held by the said Sadashiv Shankar Wagh as security for the money advanced by him under the said Agreement dated the - Sixteenth day of February One thousand eight hundred and ninety eight upon payment by the Government of the debt which might be held to be due to him with interest up to date of payment only and further that the Government should find and provide from time to time all necessary funds for the working of the -- Company and in respect of such advances should be secured by a mortgage of the stock-in-trade of the Company and be entitled to charge interest at the rate of five per cent per annum on such advances and that the Government should also be put in possession of the Company's Mill and all their property and effects as Mortgagee in possession and that out of the net profits of the Company every year such sum as the Government might think proper might be set apart as a Depreciation Fund and the balance should be divided between the Government and the other creditors in the proportion of two to one that is to say two thirds of such balance should be paid to the --

Government

Government in reduction of the debt due to them by the Company and the remaining one third to the other creditors in reduction of their claims and on such payments interest should cease to run in respect of the sums paid to the Government and the - creditors respectively as aforesaid and further that Government should cease to have any control over the management of the Company after the debt due to them and the other creditors should have been fully paid and all rights to which the -- Government might be entitled should thereupon cease and -- determine AND WHEREAS by an Agreement bearing date the -- Fifteenth day of October One thousand nine hundred and four and expressed to be made in pursuance of and to give due and legal effect to the said Scheme between the Company of the one part and the Government of the other part after reciting inter alia that the said Sadashiv Shankar Wagh had in his hands the - Company's goods and stock of the value of about Rupees Twenty thousand over which he claimed a charge under his said - Agreement for the amount which he then alleged to be due to him namely Rupees Nine thousand five hundred and seventy six and annas fifteen and that it was contended by the Company that the whole of his debt had been fully satisfied by the amount - realised by him by the sale of the Company's goods but that such contention was without prejudice to the undertaking by the

Government

Government to advance to the Company the moneys necessary to pay to the said Sadashiv Shankar Wagh the amount (if any) due to him with interest AND RECITING that the Government had then already been put and were in possession of the Mill premises machinery and plant IT WAS WITNESSED and it was thereby (inter alia) agreed by and between the parties to the now reciting Agreement as follows :-

(1) That the said recited Indentures of Mortgage and -- Further Charge were then valid effectual and subsisting subject to the concessions granted by Government as -- aforesaid and to the terms and provisions of the said Scheme and of the arrangement contained in the now reciting Agreement and that the said Indentures were binding on the Company subjec as aforesaid;and the Company thereby acknowledged and admitted that there was due and owing by them to the Government on the Thirtieth of April One thousand nine hundred and four the sum o of Rupees One Lac fifty six thousand five hundred and eleven anna one and pies six for principal and Rupees Forty one thousand eight hundred and seventy five and annas nine for interest and further interest from First May One thousand nine hundred and four upto date of payment under the said two - Indentures (2)That the Government should advance all necessary funds from time to time for the working of the Company's Mills & for such purpose should open a current account in the name of the

Company

Shankar Wagh's alleged claim or which might from time to time thereafter be in or about the said premises;and the Company should assign the said stock-in-trade and effects and also all other stock and effects which might thereafter from time to time be outside the said premises at Bangalore or at out - stations and outstandings to the Government (5) That the Government should be entitled to appoint a Director on the Board of the Company who should act as and be called the - Managing Director and all transactions of the Company should be conducted under the authority of such Managing Director who should remain at Bangalore and should be entitled to be absent from the meetings of the Board in Bombay (6) That the Government should also have the option of appointing another Director on the Board to attend the meetings of the Board in Bombay and should also have the right of nominating one - auditor every year for the purpose of auditing the accounts of the Company the other auditor being appointed by the Company (7) That the management of the Company should be in the hands of its Agents Messrs.N.Sirur and Company on the terms of their appointment and that they should act under the orders of the Board of Directors conjointly with the said Managing --- Director and should in all respects carry out the wishes of the said Managing Director and that in case of difference of

opinion

Government should charge interest on the principal amount due to them under the said Indentures of Mortgage and Further Charge as also on daily balances of money due to them for further advances on the security of the stock-in-trade as aforesaid at the rate of five per cent per annum only (11) That out of the net profits of the Company every year such sum as the Government in their discretion might think proper might be set apart as a Depreciation Fund and two thirds of the -- balance should be paid to the Government in reduction of their claim and that on such payment interest should cease to run in respect of the sum so paid provided however that the said - Depreciation Fund should from time to time be utilized for the purpose of bringing new spindles or looms or making such - improvements in the machinery plant or property of the -- Company's Mills as might be necessary. (12) That the Company should have no power to pass any extraordinary resolution to wind up the Company or to mortgage charge or alienate any of its property to any body without in the first instance -- obtaining sanction of the Government and the other Creditors of the Company at a Meeting to be called for that purpose and (13) That the Government should cease to have any control over the management of the Company after the debt due to them and the other creditors should have been paid in full with -

interest

interest and that all the rights to which they were entitled under the now reciting Agreement or under the said Scheme of arrangement or otherwise should thereupon cease and determine AND WHEREAS the whole of the debt due and owing by the Company to the said Sadashiv Shankar Wagh was in due course after the last recited Agreement paid off and satisfaction thereof was duly admitted by the said Sadashiv Shankar Wagh AND WHEREAS there was due and owing by the Company to the Government on the Twenty eighth day of February One thousand nine hundred and eleven the sum of Rupees One Lac fifty six thousand five hundred and eleven anna one and pies six being the principal moneys due and owing upon the security of the said recited Indentures of Mortgage and Further Charge as acknowledged and admitted by the Company in Clause 1 of the hereinbefore recited Agreement of the Fifteenth day of October One thousand nine hundred and four and Rupees seventy seven thousand and five hundred annas two and pies four for interest on the said principal upto the said Twenty eighth day of February One thousand nine hundred and eleven AND WHEREAS in addition to the moneys so due and owing by the Company to the Government under the said recited Indentures of Mortgage and Further Charge as aforesaid the Company has also in pursuance of Clause 2 of the said recited Agreement of the Fifteenth day

of October One thousand nine hundred and four from time to time drawn and received from the Government on current account funds for the working of the Company's Mills and on the said Twenty eighth day of February One thousand nine hundred and eleven there was due and owing by the Company to the Government on such current account the sum of Rupees One Lac forty nine thousand eight hundred and eighty seven annas eleven and pies five for principal and the sum of Rupees Twelve thousand six hundred and fifty six annas twelve and pies three for interest upto the said Twenty eighth day of February One thousand nine hundred and eleven AND WHEREAS in pursuance of the said recited Agreement of the Fifteenth day of October One thousand nine hundred and four the Government have a lien on the stock-in-trade articles and effects of and in any way belonging to the Company and also upon all the outstandings of the Company to secure the moneys due to them upon the said current account for principal and interest AND WHEREAS the aggregate sum due and owing by the Company to the Government on the said Twenty eighth day of February One thousand nine hundred and eleven both under the hereinbefore recited Indentures of Mortgage and Further Charge and upon the current account aforesaid together with the interest on the said principal sums upto the said Twenty eighth day of February One thousand nine hundred and eleven

amounted

amounted to Rupees Three Lacs ninety six thousand five hundred and fifty five annas eleven and pies six AND WHEREAS the - Government being no longer willing to advance moneys to the Company for working expenses it has been arranged between the Government and the Company that the aggregate indebtedness of the Company to the Government as on the Twenty eighth day of February One thousand nine hundred and eleven shall be reduced to the sum of Rupees Three Lacs by the payment by the Company to the Government of the sum of Rupees ninety six thousand five hundred and fifty five annas eleven and pies six and that the said balance of Rupees Three Lacs shall be secured to the Government by a mortgage of the Mill premises buildings and erections and the machinery plant engines and fixtures of the Company to be executed and delivered by the Company to the Government immediately after the execution of these presents and that in consideration of the Company paying to the -- Government the said sum of Rupees Ninety six thousand five hundred and fifty five annas eleven and pies six in cash and agreeing to execute and deliver to the Government such a - mortgage of the Mill premises buildings and erections and - machinery plant engines and fixtures as is aforesaid the - Government shall execute and deliver to the Company these - presents to the intent that from and after the date hereof the

claim of the Government upon the stock-in-trade articles and effects of and in any way belonging to the Company and also the outstanding due or to become due to the Company and all the moveable property and effects of the Company other than the property and effects to be comprised in the said mortgage shall be absolutely released and extinguished and that the herein-before recited Agreement of the Fifteenth day of October One thousand nine hundred and four shall be superseded cancelled and of no effect AND WHEREAS in pursuance of the said arrangement the Company have agreed immediately upon the execution of these presents to execute and deliver to the Government an effectual and legal Mortgage upon the terms therein contained of the said Mill premises plant machinery fixtures engines buildings and erections of the Company to secure the repayment to the Government of the said sum of Rupees Three Lacs with interest thereon calculated from the First day of March One thousand nine hundred and eleven at the rate of four per cent per annum AND WHEREAS the said Indenture of Mortgage has already been prepared and has been approved by the Government AND WHEREAS there are no secured Creditors of the Company other than the Government and at a meeting of the unsecured Creditors of the Company duly convened and held at Bombay on the Tenth day of June One thousand

Rider

And whereas at an Extraordinary General Meeting of the shareholders of the Company duly convened and held at the Registered Office of the Company in Bombay on the Thirteenth day of July 1912 certain resolutions were passed whereby the said arrangement Entered into between the Company and the Government was finally approved accepted and adopted and the Board of Directors of the Company was thereby authorised in the name of the Company and on its behalf to Execute and complete these presents and the said Indenture of Mortgage and all other deeds & Covenants necessary and proper to Give full and complete Effect to the said arrangement and all and Every part thereof And whereas the said resolutions passed at the said mentioned Meeting were duly confirmed as Special Resolutions of the Company at a subsequent Extraordinary General Meeting of the Company duly convened and held on the 29th day of July 1912

thousand nine hundred and Twelve the arrangement entered into between the Company and the Government as hereinbefore set out and the terms of the new Mortgage to the Government were accepted and approved Rider L NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreement and in consideration of the said sum of Rupees Ninety six thousand five hundred and fifty five annas eleven and pies six on or before the execution of these presents paid by the Company to the Government (the receipt whereof the Government do hereby admit and acknowledge and from the same and any part thereof do for ever discharge and release the Company) and also in consideration of the Agreement by the Company to execute the said Indenture of Mortgage immediately upon the delivery of these presents the Government for themselves their successors and assigns do hereby convey grant release and transfer unto the Company their successors and assigns ALL AND SINGULAR the hereditaments and premises particularly described in the First L Schedule hereunder written and all other the premises comprised in or secured by the hereinbefore recited Indentures of Mortgage and Further Charge TOGETHER with the Mill buildings and erections now erected or standing thereon AND all fixtures plant machinery engines boilers implements apparatus articles and things now in upon or about the said

Mill

Short particulars whereof are set out in the Second Schedule hereunder written 18

Mill buildings and premises AND TOGETHER also with all ways watercourses drains wells rights easements privileges and appurtenances whatsoever to the said hereditaments and -- premises or any part thereof actually or by reputation -- belonging or in anywise appertaining or usually held or occupied therewith or reputed to belong or be appurtenant thereto AND all the estate right title interest claim and demand whatsoever of the Government in or upon the said hereditaments and premises TO HAVE AND TO HOLD the said piece of land buildings hereditaments and premises unto the Company their successors and assigns absolutely freed and discharged from all principal moneys and interest due and owing by the Company to the Government as aforesaid and all moneys whatsoever now or at any time heretofore due or owing on the - security of and from all charges claims and demands whatsoever under or by virtue of the hereinbefore recited Indentures of Mortgage and Further Charge or upon the said current account or otherwise howsoever AND THIS INDENTURE ALSO WITNESSETH that in further pursuance of the said Agreement and for the - consideration aforesaid the Government for themselves their successors and assigns do hereby transfer assign and release unto the Company their successors and assigns ALL AND -- SINGULAR the cotton yarn and cloth in stock and in process

wheat

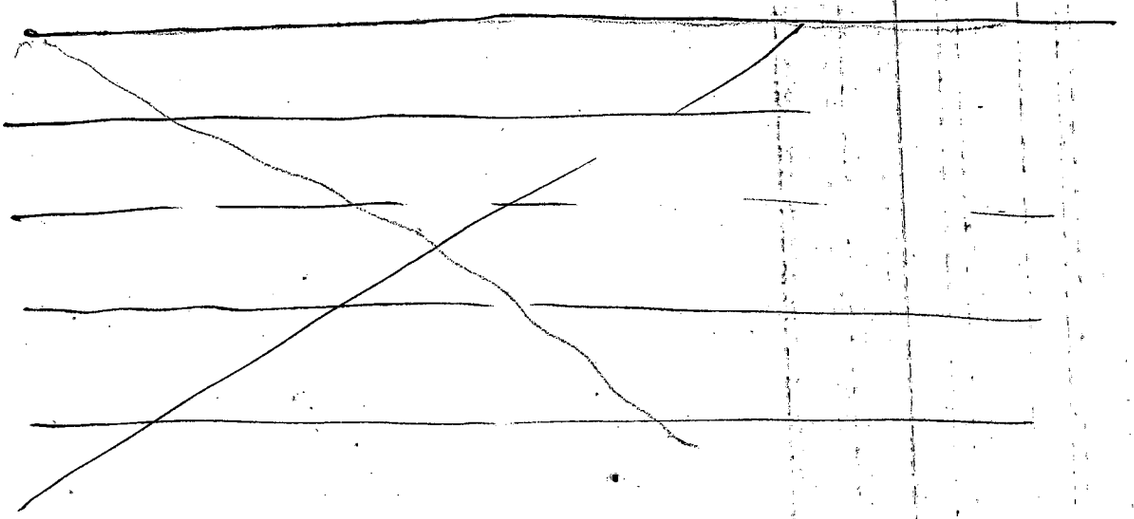
wheat and manufactured products thereof and all other stock-in-
-trade manufactures raw material stores merchandise effects and
articles whatsoever of and belonging to the Company now in or
upon the said land buildings and premises or at outstations or
hereafter to be despatched to outstations or to places outside
Bangalore where the said land and Mill premises are situate
TOGETHER with all the proceeds and moneys arising from or at
the date of these presents due and payable or hereafter to
become due and payable to the Company in respect of all the
said cotton yarn cloth wheat and manufactured products thereof
stock-in-trade manufactures and merchandise TOGETHER also with
all outstandings of whatsoever nature at the date of these
presents due and payable or hereafter to become due and
payable to the Company AND all the estate right title interest
claim and demand whatsoever of and belonging to the Government
in or upon the said cotton yarn cloth wheat and manufactured
products thereof stock-in-trade manufactures merchandise or
outstandings TO HAVE AND TO HOLD the same and other the -
premises hereinbefore described to and unto the Company their
successors and assigns absolutely for ever freed and ---
discharged from the principal moneys and interest due and
owing by the Company to the Government as aforesaid and all
moneys whatsoever now or at any time heretofore due or owing

on the security of and from all charges claims and demands whatsoever under or by virtue of the hereinbefore recited Indentures of Mortgage and Further Charge or upon the said current account or otherwise howsoever AND the Government do hereby for themselves their successors and assigns covenant with the Company their successors and assigns that they the Government have not at any time heretofore done or knowingly omitted or suffered or been party or privy to anything -- whereby or by means whereof the said land buildings -- hereditaments and Mill premises or the said machinery plant engines and fixtures or the said cotton yarn cloth wheat stock-in-trade manufactures merchandise and other goods or the said outstandings hereinbefore expressed to be hereby granted and released unto the Company or any of them or any part thereof are is or may be incumbered or affected in any manner whatsoever or whereby the Government is in anywise prevented from granting the said land buildings hereditaments and Mill premises and the said machinery plant engines and other fixtures as also the said cotton yarn cloth wheat and manufactured products thereof stock-in-trade manufactures merchandise and other goods and the said outstandings hereinbefore mentioned or any of them or any part thereof in manner aforesaid AND it is hereby lastly agreed and declared that

upon

upon the execution and delivery by the Company to the Government of the Indenture of Mortgage hereinbefore referred to the hereinbefore recited Agreement of the Fifteenth day of October One thousand nine hundred and four shall be deemed to be cancelled and no longer to be binding upon the parties thereto IN WITNESS WHEREOF

leave one & a half lines only.



on behalf of the said Government of the Maharajah of Mysore hath hereunto set his hand and seal and the said Mysore Spinning and Manufacturing Company Limited have caused their Common Seal to be affixed hereunto the day and year first above written.

First

THE SCHEDULE ABOVE REFERRED TO.

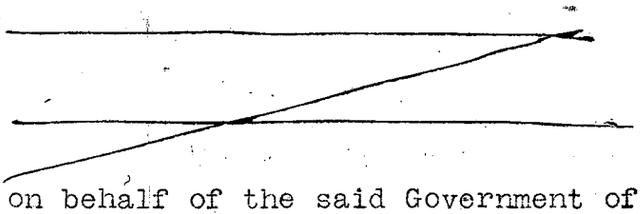
1

Lie Schedules on
Separate pages

The Second Schedule above referred to

SIGNED SEALED and DELIVERED by the

abovenamed



on behalf of the said Government of

the Maharajah of Mysore in the ---

presence of.. .. ..

The Common Seal of The Mysore Spinning
and Manufacturing Company Limited was
hereunto affixed pursuant to a ----
Resolution of the Board of Directors of
the Company passed at a Meeting of the
Board held on the day of
One thousand nine hundred and ~~eleven~~ twelve
in the presence of.. .. ..

DIRECTORS

AGENTS.

DATED _____ 1911.

THE GOVERNMENT OF HIS HIGHNESS THE

MAHARAJAH OF MYSORE

to

THE MYSORE SPINNING AND MANUFACTURING

COMPANY LIMITED .

=====

Draft

RECONVEYANCE AND RELEASE.

MESSRS. LITTLE & CO.

SOLICITORS

BOMBAY.

1873/13 2 drafts (2

G.R.S. 26]

G. F. File No. 23-11

Serial No. 25

Diary No. of letter replied to 2737

No. 365286

General and Revenue Secretariat

( )

, the *19* .

To

19-3-13

The Comptroller to Govt.

Date of issue 19-3-13

Signed by W. Narasimhan

Sir,

I am directed to forward herewith, for safe custody, the mortgage deed executed by the Mysore Spinning and Manufacturing Company Limited in favour of the Govt. of H. H. the Maharaja in respect of the loan of three lakhs

over.

SUBJECT.

3)

advanced to the former
by the Govt: and to request
an acknowledgment of
the receipt of the bonds

verbally added
that the may be kept back

I have etc

30.1.13

For Finl Secy:

Lon
30/1/14.

Copied by RJ 18/3.

Examined by

GPB—20,000—26-9-10

1913 2 drafts 4

.R.S. 26]

File No. 23-1

Serial No. 26.

)iary No. of letter replied to 2737

No. H 5285

eneral and Revenue Secretariat

( )

, the *19* .

)ate of issue 14-3-13

igned by W L Narasimhaiah

To, 14-3-13

The Agents

The Mysore Spinning &

Manufacturing Company

Ld:

Gentlemen,

I am directed to

acknowledge the receipt

of the Mortgage deed

executed by the Mysore

Spinning & Manufacturing

Company Ld ~~for Securing~~

~~the loan of 3 lakhs~~

~~advanced by the Govt~~

over.

SUBJECT.

5)

favour of the Jt
of H H the Maharaja
and to return the draft
copy of the Mortgage Deed
as also the Deed of Release
executed by Govt: as
desired in Mr Sisar's letter
of the 25th January 1913.

I have etc.

30.1.13
For Secy.

Wr 30/1

30-1-13

No. 41

To be filled up o
insured

Insured for Rs. (in fig

(In words)

Insurance fee Re. As.

Weight (in words). RATES TOLAS

N.B.—When the article is not to be insu
it should be crossed out by means of
final lines.

Initials of Receiving Offi

List of enclosures.

Copied by 18/3.

Examined by

GPB—20,000—26-9-10

THIS INDENTURE made this seventh day of December One thousand nine - hundred and twelve BETWEEN THE MYSORE SPINNING AND MANUFACTURING COMPANY LIMITED a Joint Stock Company incorporated under the Indian Companies Act 1882 and having its registered Office in Bombay and its Mill - premises at Bangalore in the territories of His Highness the Maharajah of Mysore (hereinafter called "the Company" which expression shall unless excluded by or repugnant to the context be deemed to include the said Company and its successors and assigns) of the one part and THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJAH OF MYSORE (hereinafter called "the Government" which expression shall unless excluded by or repugnant to the context be deemed to include the said Government and its successors and assigns) of the other part WHEREAS by an Indenture of Mortgage bearing date the twenty second day of October one thousand eight hundred and eighty eight and expressed to be made between the Maharajah of Mysore Spinning and Manufacturing Company Limited (hereinafter called "the said Old Company") of the one part and the Government of the other part the hereditaments and premises therein described as the immoveable and moveable properties Mill Machinery stock and effects of the said Old Company together with the buildings machinery and Mill gear thereafter erected constructed and -- supplied were mortgaged by the said old Company to the Government to secure the repayment of a sum of Rupees Two Lacs with interest thereon at the rate of six per cent per annum payable in the -- manner therein mentioned AND WHEREAS by an Indenture of Further Charge bearing date the Twenty fourth day of January One thousand eight hundred and ninety and expressed to be made between the said old Company of the one part and the Government of the other part the said hereditaments and premises were further charged with the repayment of the sum of Rupees Fifty thousand lent and

and advanced by the Government to the said old Company with interest on the said sum at the rate of six per cent per -- annum AND WHEREAS in or about the year One thousand eight hundred and ninety four the said old Company was voluntarily wound up and by an Agreement bearing date the Twentieth day of February One thousand eight hundred and ninety four and expressed to be made between the said old Company of the first part James Scott of Bombay European Inhabitant and Shapurji Burjorji also of Bombay Parsi Inhabitant the Liquidators of the said old Company of the second part and the Company of the third part upon such winding up of the said old Company as aforesaid the property business and goodwill of the said old Company were taken over as a going concern by the Company subject to all debts liabilities and engagements and inter alia subject to the said Indentures of Mortgage and Further Charge bearing date respectively the Twenty second day of October One thousand eight hundred and eighty eight and the twenty fourth day of January One thousand eight hundred and ninety AND WHEREAS the rate of interest payable under the said Mortgage and Further Charge was subsequently reduced to five per cent per annum through the intercession of the Agents of the Company who also obtained further concessions in the terms of the said Mortgage and Further Charge but such reduction of interest and such concessions were not evidenced by any formal Deed or Agreement AND WHEREAS under and by virtue of one of the concessions aforesaid authorised the Company to pledge or mortgage ints floating stock and to raise moneys on the security thereof the Company by an Agreement bearing date the Sixteenth day of February One thousand eight hundred and ninety eight and expressed to be made between the Agents of the Company of the first part the Company of the second part and Sadashiv Shanker Wagh of Bombay Hindu Inhabitant of the third part agreed to borrow moneys from the said Sadshive Shanker Wagh from time to time to the extent of Rupees One lac and granted to him as security for the said

said Loan a first lien or charge on the whole of the raw cotton yarn and cloth of the Company from time to time and for the time being in the godown of the Mill premises at Bangalore AND WHEREAS by a Memorandum of Agreement bearing date the day of August One thousand nine hundred and one and expressed to be made between the same parties as were parties to last recited Agreement it was declared that the charge created by the said last recited Agreement in favor of the said Sadshive Shanker Wagh extended to all stock whatever of the Company then at outstations or thereafter to be despatched to outstations or to places outside Bangalore for sale by the Company's Agents or otherwise for sale on the Company's behalf and also to all proceeds and moneys arising from and then due and payable and thereafter to become due and payable in respect of all sales of the Company's stock sold and disposed of at Bangalore and elsewhere AND WHEREAS in pursuance of the said Agreement and in exercise of the power reserved to the said Sadashive Shanker Wagh in that behalf under the said Agreement the said Sadashive Shanker Wagh -- demanded immediate payment of the amount due to him on the Thirdday of December One thousand nine hundred and one and in default of payment commenced to sell the Company's goods and to realize the debt due to him under the said Agreement out of the sale proceeds thereof AND WHEREAS the Company being subsequently unable to pay its debts and liabilities it was in the year One thousand nine hundred and one intended to intended to wind up the same voluntarily but the said Agents having againtat the desire of the Shareholders of the Company made an appeal to the Government for further pecuniary assistance and to save the Company from liquidation the Government was graciously pleased to comply with their request on certain terms which after certain modifications were embodied in a

a Scheme of arrangement expressed to be made between the Company their Agents past and present the Government and the other creditors of the Company AND WHEREAS the said Scheme was approved of by the Government and at an Extra-ordinary General Meeting of the Schareholders of the Company held on the Twenty eighth of November One thousand nine hundred and three it was finally adopted by the Company as approved of by the Government AND WHEREAS more than three fourths in number and value of the creditors of the Company acceded to the saide Scheme and no appeal was preferred against the same by any dissenting or silent creditors of the Company AND WHEREAS the said Scheme inter alia provided that the Company should withdraw the agency of the Company from its then Agents Messieurs P. Charystal and Company which Firm declined to continue as Agents on the reduced terms of re-muneration proposed and that the members who then constituted or might thereafter constitute the firm of Messieurs N.Sirur and Company should be appointed Agents in the place of the said Messieurs P.Chrystal and Company on the terms of remunera-tion mentioned in the said Scheme AND the said Scheme also provided that the Company should procure restoration of its moveable property held by the said Sadashive Shanker Wagh as security for the money advanced by him under the said Agreement dated the Sixteenth day of February One thousand eight hundred and ninety eight upon payment by the Government of the debt which might be held to be due to him with interest up to date of payment only and further that the Government should find and provide from time to time all necessary funds for the working of the Company and in respect of such advances should be secured by a mortgage of the stock-in-trade of the Company and be entitled to charge interest at the rate of five per cent annum on such advances and that the Government should also be

be put in possession of the Company's Mill and all their property and effects as Mortgagee in possession and that out of the net profits of the Company every year such sum as the Government might think proper might be set apart as a Depreciation Fund and the balance should be divided between the Government and the other creditors in the proportion of two to one that is to say two thirds of such balance should be paid to the Government in reduction of the debt due to them by the Company and the remaining one third to the other creditors in reduction of their claims and on such payments interest should cease to run in respect of the sums paid to the Government and the creditors respectively as aforesaid and furhter that Governmend should cease to have any control over the management of the Company after the debt due to them and the other creditors should have been fully paid and all rights to which the Government might be entitled should thereupon cease and -- determine AND WHEREAS by an Agreement bearing date the Fifteenth day of October One thousand nine hundred and four and expressed to be made in pursuance of and to give due and legal effect to the said Scheme between the Company of the one part and the -- Government of the other part after reciting inter alia that the said Sadashive Shanker Wagh had in his hands the Company's goods and stock of the value of about Rupees Twenty thousand over which he claimed a charge under his said Agreement for the amount which he then alleged to be due to him namely Rupees nine thousand five hundred and seventy six and annas fifteen and that it was contended by the Company that the whole of his debt had been fully satisfied by the amount realised by him by the sale of the Company's goods but that such contention was without prejudice to the undertaking by the Government to advance to the company the moneys necessary to pay to the said Sadshive Shanker Wagh the amount -- (if any) due to him with interest AND RECITING that the Government had then already been put and were in possession of the Mill premises machinery and plant IT WAS WITNESSED and it was thereby (interralia) agreed by and between the parties to the now reciting

reciting Agreement as follows:--

(1) THAT the said recited Indentures of Mortgage and Further Charge were then valid effectual and subsisting - subject to the concessions granted by Government as aforesaid and to the terms and provisions of the said Scheme and of the arrangement contained in the now reciting Agreement and that the said Indentures were binding on the Company - subject as aforesaid; and the company thereby acknowledged and admitted that there was due and owing by them to the -- Government on the Thirtieth of April One thousand nine hundred and four the sum of Rupees One lac fifty six thousand five -- hundred and eleven anna one and pies six for principal and Rupees Forty one thousand eight hundred and seventy five and annas nine for interest and further interest from First May - One thousand nine hundred and four up to date of payment under the said two Indentures; (2) THAT the Government should advance all necessary funds from time to time for the working of the Company's Mills and for such purpose should open a current account in the name of the Company in which account the Company should be credited with all the moneys which might be realised from time to time by the sale of its goods or in any otherwise coming into their hands (all such sale proceeds and moneys being from time to time deposited in the Government Treasury) and debited with all moneys provided by the Government for the working of the Company's Mills or spent for or on account of the Company in manner thereinafter mentioned; (3) THAT the Government should advance to the Company any sum which might be required to pay to the said Sadashive Shanker Wagh the debt (if any) which might be found due to him with interest upto the date of payment only under his Agreement with the Company and that on such payment the Company should procure restoration of the moveable property of the Company claimed by the said Sadashive Shanker Wagh as security for the money advanced by him under the said Agreement of Twelfth February One thousand eight hundred and ninety eight and that the Company should if necessary procure

procure cancellation of the said Agreement; (4) THAT the Government should remain in full and uninterrupted possession of the Mill premises machinery plant engines fixtures buildings and -- erections and also of all stock-in-trade articles and effects then lying in and about the said premises if and when the same should be free from the said Sadshive Shanker Wagh's alleged -- claim or which might from time to time thereafter be in or about the said premises; and the Company should assign the said stock-in-trade and effects and also all other stock and effects which might thereafter from time to time be outside the said premises at Bangalore or at outstations and outstantings to the Government (5) THAT the Government should be entitled to appoint a Director on the Board of the Company who should act as and be called the Managing Director and all transactions of the Company should be conducted under the authority of such Managing Director who should remain at Bangalore and should be entitled to be absent from the meetings of the Board in Bombay (6) THAT the Government should also have the option of appointing another Director on the Board to attend the meetings of the Board in Bombay and should also have the right of nominating one auditor every year for the -- purpose of auditing the accounts of the Company the other auditor being appointed by the Company (7) THAT the manggement of the Company should be intthe hands of its Agents Messieurs N. Sirur and Company on the terms of their appointment and that they should act under the orders of the Board of Directors conjointly with the said Managing Director and should in all respects carry out the wishes of the said Managing Director and that in case of difference of opinion between the Managing Director and the other Directors the latter might submit the matter for orders of the Government - but that until the Government should pass orders on such reference the opinion of the Managing Director should be acted upon (8) THAT the Government should not sell or cause to be sold through the intervention of the Court or otherwise the premises Mill machinery plant stock-in-trade goods articles and effects of the Company ---

Company except at the time and on the happening of the events thereinafter mentioned in Clause 9 thereof; (9) THAT in the event of the Company carrying on business at a loss in any one year and of its being unable to make any payment on account of interest due to its creditors and to the Government it should be lawful for the Government to withdraw the working capital - advanced by the Government from the realisation of the entire stock-in-trade and outstandings of the Company and that in such case it should be lawful for the creditors of the Company assembl - ed at a meeting to pass a resolution by a majority of votes to be ascertained according to the value of their respective claims to wind up the Company and in such case the Government should be -- entitled to retain in their possession all the property and --- effects of the Company both moveable and immoveable as a security for payment in the first instance of all moneys due to them (10) THAT the Government should charge interest on the principal ---- amount due to them under the said Indentures of Mortgage and --- Further Charge as also on daily balances of money due to them for further advances on the security of the stock-in-trade as afore- said at the rate of five per cent per annum only (11) THAT out of the net profits of the Company every year such sum as the Govern- ment in their discretion might think proper might be set apart as a Depreciation Fund and two thirds of the balance should be paid to the Government in reduction of their claim and that on such payment interest should cease to run in respect of the sum so paid provided however that the said Depreciation Fund should from time to time be utilized for the purpose of bringing new spindles or looms or making such improvements in the machinery plant or ---- property of the Company's Mills as might be necessary (12) THAT the Company should have no power to pass any extraordinary resolu- tion to wind up the Company or to mortgage charge or alienate any of its property to anybody without in the first instance obtaining sanction of the Government and the other creditors of the Company at a Meeting to be called for that purpose and (13) THAT the --

the Government should cease to have any control over the management of the Company after the debt due to them and the other --- creditors should have been paid in full with interest and that all the rights to which they were entitled under the now reciting Agreement or under the said Scheme of arrangement or otherwise should thereupon cease and determine AND WHEREAS the whole of the debt due and owing by the Company to the said Sadshive Shanker Wagh was in due course after the last recited Agreement paid off and satisfaction thereof was duly admitted by the said Sadashive Shanker Wagh AND WHEREAS by an Indenture bearing even date with but executed immediately before the execution of these presents and expressed to be made between the Government of the one part and the Company of the other part after reciting as hereinbefore is recited AND RECITING that there was due and owing by the Company to the Government on the Twenty eighth day of February One thousand nine hundred and eleven the sum of Rupees One lac fifty six thousand five hundred and eleven anna one and pies six being the principal moneys due and owing upon the security of the hereinbefore recited Indentures of Mortgage and Further -- Charge as acknowledged and admitted by the Company in Clause I of the hereinbefore recited Agreement of the Fifteenth day of October One thousand nine hundred and four and Rupees seventy seven thousand and five hundred annas two and pies four for interest on the said principal upto the said Twenty eighth day of February One thousand nine hundred and eleven AND RECITING that in addition to the moneys so due and owing by the Company to the Government under the said recited Indentures of Mortgage and --- Further Charge as aforesaid the Company had also in pursuance of Clause 2 of the said recited Agreement of the Fifteenth day of - October One thousand nine hundred and four from time to time --- drawn and received from the Government on current account funds for the working of the Company's Mills and that on the said Twenty eighth day of February One thousand nine hundred and eleven there was due and owing by the Companytto the Government on such current account the sum of Rupees One Lac forty nine thousand eight hundred

hundred and eighty seven annas eleven and pies five for principal and the sum of Rupees Twelve thousand six hundred and fifty six annas twelve and pies three for interest upto the said twenty -- eighty day of February One thousand nine hundred and eleven AND RECITING that in pursuance of the said recited Agreement of the Fifteenth day of October One thousand nine hundred and four the Government had a lien on the stock-in-trade articles and effects of and in any way belonging to the Company and also upon all the outstandings of the Company to secure the moneys due to them upon the said current account for principal and interest AND RECITING that the aggregate sum due and owing by the Company to the Government on the said Twenty eighth day of February one -- thousand nine hundred and eleven both under the hereinbefore -- recited Indentures of Mortgage and Further Charge and upon the current account aforesaid together with the interest on the said principal sums upto the said Twenty eighth day of February One thousand nine hundred and eleven amounted to Rupees Three Lacs ninety six thousand five hundred and fifty five annas eleven and pies six AND RECITING that the Government being no longer willing to advance moneys to the Company for working expenses it had been arranged between the Government and the Company that the aggregate indebtedness of the Company to the Government as on the Twenty eighth day of February One thousand nine hundred and eleven should be reduced to the sum of Rupees Three Lacs by the payment by the Company to the Government of the sum of Rupees ninety six thousand five hundred and fifty five annas eleven and pies six and that the said balance of Rupees three Lacs should be secured to the Government by a Mortgage of the Mill premises buildings and erections and the machinery plant engines and fixtures of the Company to be executed and delivered by the Company to the Government immediately after the execution of the now reciting Indenture and that in consideration of the Company paying to the Government the said sum of Rupees ninety six thousand five hundred and fifty five annas eleven and pies six in cash and agreeing to execute and

and deliver to the Government such a Mortgage of the Mill premises buildings and erections and machinery plant engines and fixtures as aforesaid the Government should execute and deliver to the Company the now reciting Indenture to the intent that from and after the date thereof the claim of the Government upon the stock-in-trade articles and effects of an in any way - belonging to the Company and also the outstanding due or to become due to the Company and all the moveable property and effects of the Company other than the property and effects to be comprised in the said Mortgage should be absolutely released and extinguished and that the hereinbefore recited Agreement of the Fifteenth day of October One thousand nine hundred and four should be --- superseded canbelled and of no effect AND RECITING that in pursuance of the said arrangement the Company had agreed immediately upon the execution of the now reciting Indenture to execute and deliver to the Government an effectual and legal Mortgage upon the terms therein contained of the said Mill premises plant -- machinery fixtures engines buildings and erections of the Company to secure the repayment to the Government of the said sum of Rupees Three Lacs with interest thereon calculated from the First day of March One thousand nine hundred and eleven at the rate of four per cent per annum AND RECITING that the said Indenture of Mortgage had already been prepared and had been approved by the Government AND RECITING that there were at the date of the now reciting -- Indenture no secured creditors of the Company other than the -- Government and that at a meeting of the unsecured creditors of the Company duly convened and held at Bombay on the tenth day of June One thousand nine hundred and twelve the arrangement entered into between the Company and the Government as in the now reciting Indenture set out and the terms of the new Mortgage to the Government had been accepted and approved AND RECITING that at an -----

an Extra-ordinary General Meeting of the Shareholders of the Company duly convened and held at the registered office of the Company in Bombay on the thirteenth day of July One thoudand-- nine hundred and twelve certain resolutions were passed whereby the said arrangement entered into between the Company and the - Government was finally approved accepted and adopted and the -- Board of Directors of the Company was thereby authorised in the name of the Company and on its behalf to enter into and complete the now reciting Indenture and the said Indenture of Mortgage and all other deeds or covenants necessary and proper to give full and complete effect to the said arrangement and all and every part thereof AND RECITING that the resolutions passed at the last mentioned Meeting were duly confirmed as Special Resolutions of the Company at a subsequent Extraordinary General Meeting of the Company duly convened and held on the twenty ninth day of July One thousand nine hundred and twelve IT WAS WITNESSED that in pursuance of the said Agreement and in consideration of the said sum of Rupees Ninety six thousand five hundred and fifty five -- annas eleven and pies six on or before the execution of the now reciting Indenture paid by the Company to the Government (the receipt whereof the Government did thereby admit and acknowledge and from the samd and any part thereof did for ever discharge and release the Company) and also in consideration of the Agreement by the Company to execute the said Indenture of Mortgage immediately upon the delivery of the now reciting Indenture the Government for themselves their sucessors and assigns did thereby convey grant release and transfer unto the Company their sucessors and assigns ALL AND SINGULAR the hereditaments and premises particularly described in the Schedule to the now reciting Indenture and all other the premises comprised in or secured by the hereinbefore recited Indentures of Mortgage and Further Charge TOGETHER with the Mill buildings and erections them erected or standing thereon AND all fixtures plant machinery engines boilers implements

implements apparatus articles and things then in upon or about the said Mill buildings and premises AND TOGETHER also with all ways watercourses drains wells rights easements privileges and appurtenances whatsoever to the said hereditaments and premises or any part thereof actually or by reputation belonging or in anywise appertaining or usually held or occupied therewith or reputed to belong or be appurtenant thereto AND all the estate right title interest claim and demand whatsoever of the Government in or upon the said hereditaments and premises TO HAVE AND TO HOLD the said piece of land buildings hereditamentsand ---- premises unto the Company their successors and assigns absolutely freed and discharged from all principal moneys and interest due and owing by the Company to the Government as aforesaid and all moneys whatsoever then or at any time theretofore due or owing on the security of an from all charges claims and demands whatsoever under or by virtue of the hereinbefore recited Indentures of Mortgage and Further Charge or upon the said current account or otherwise howsoever AND IT WAS ALSO WITNESSED that in further pursuance of the said Agreement and for the consideration aforesaid the Government for themselves their sucessors and assigns did thereby transfer assign and release unto the Company their successors and assigns ALL AND SINGULAR the cotton yarn and -- cloth in stock and in process wheat and manufactured products thereof and all other stock-in-trade manufactures raw material stores merchandise effects and articles whatsoever of and belonging to the Company then in or uponnthe said land buildings and premises or at outstations or thereafter to be despatched to outstations or to places outside Bangalore TOGETHER with all the proceeds and moneys arising from or at the date of the now --- reciting Indenture due and payable or thereafter to become due and pay

yarn cl

manufac

outstandings of whatsoever nature at the date of the now reciting Indenture due and payable or thereafter to become due and payable to the Company AND all the estate right title interest claim and demand whatsoever of and belonging to the Government in or upon the said cotton yarn cloth wheat and manufactured products thereof stock-in-trade manufactures merchandise or -- outstandings TO HAVE AND TO HOLD the same and other the premises thereinbefore described to and unto the Company their successors and assigns absolutely for ever freed and discharged from the principal moneys and interest due and owing by the Company to the Government as aforesaid and all moneys whatsoever then or at any time theretofore due or owing on the security of an from all --- charges claims and demands whatsoever under or by virtue of the hereinbefore recited Indentures of Mortgage and Further Charge or upon the said current account or other wise howsoever and it was by the Indenture now in recital lastly agreed and declared that upon the execution and delivery by the Company to the Government of the Indenture of Mortgage thereinbefore referred to (being this Indenture) the hereinbefore recited Agreement of the Fifteenth day of October One thousand nine hundred and four -- should be deemed to be cancelled and no longer binding upon the parties thereto AND WHEREAS these presents are and comprise the Indenture of Mortgage referred to in the last hereinbefore --- recited Indenture of even date herewith as having been approved by the Government and the Government have called upon the Company to execute the same in terms of the Agreement in that behalf contained in the last hereinbefore recited Indenture NOW THIS INDENTURE WITNESSETH that in pursuance of the said Agreement and in consideration of the sum of Rupees Three Lacs so due by the Company to the Government on the Twenty-eighth day of February One thousand nine hundred and eleven as aforesaid (which indebtedness the Company doth hereby admit and acknowledge) THE Company doth hereby covenant with the Government that the Company will not later than the twenty eighth day of February One thouse and nine hundred and twenty five pay the said sum of Rupees --

Rupees Three Lacs to the Government AND will in the meantime and thereafter so long as any moneys due upon the security of these presents shall remain unpaid pay to the Government interest on the said principal sum or so much thereof as shall for the time being remain unpaid at the rate of four per cent per annum computed from the first day of March One thousand nine hundred and eleven by equal yearly payments on the first day of March in every year without any deduction the first payment to be made on the first day of March One thousand nine hundred and twelve AND also that if default shall be made in payment of any yearly instalment of interest or any part thereof on the days hereinbefore appointed for payment thereof the Company will pay by way of compound interest to the Government by equal yearly payments on the first day of March in every year so long as any yearly instalment of interest or any part thereof shall remain uppaid -- interest on any such instalment or part thereof at the rate -- aforesaid to be computed from the date upon which such yearly instalment of interest or part thereof should have been paid -- PROVIDED that the provision hereinbefore contained for payment of compound interest shallnnot in any manner prejudice or interfere with the powers and remedies herein contained and reserved to the Government for securing or recovering the principal sum and interest intended to be hereby secured PROVIDED always and it is hereby agreed and declared that at any time on or after the twenty eighth day of February One thousand nine hundred and sixteen the Government shall be at liberty by notice in writing to the Company or its Agents to require that the Company should reduce its indebtedness to the Government by payment to the Government in each year thereafter two thirds of the net profits of the Company's working AND the Company doth hereby covenant with the Government that the Company will in each year during the continuance of this security commencing with the year One thousand nine hundred and seventeen if notice as aforesaid shall be given in the year One thousand nine hundred and sixteen or otherwise --

otherwise commencing with the year following the year in which such notice shall be given pay to the Government within twenty eight days after the passing of the Company's annual accounts for such year two thirds of the net profits of the Company as shown by such annual accounts after setting aside out of the entirety of such net profits as and by way of a Depreciation Fund a sum equibalent to five per cent upon the book value of the --- machinery and buildings of the Company AND upon the amounts so paid to the Government from time to time interest shall cease to accrue PROVIDED ALWAYS and it is hereby expressly agreed and declared that if the Company shall make default in payment of any yearly instalment of interest or compound interest or any part thereof respectively or in the event of the notice referred to in the last preceding proviso having been given shall make default in payment to the Government of any instalment of profits payable to the Government or part thereof for the space of three calendar months after the same shall respectively become due or shall commit any breach of any of the Company's covenants hereinafter contained then and in either of such cases the Government may demand payment of the said principal sum at any time after such default or breach and the said principal sum shall be deemed to have become payable accordingly on such default or breach as the case may be AND THIS INDENTURE ALSO WITNESSETH that in further pursuance of the said Agreement and for the consideration aforesaid the Company doth hereby grant convey and transfer unto the Government its successors and assigns ALL AND SINGULAR the land buildings and hereditaments particularly described in the First Schedule hereunder written and ALL AND SINGULAR the fixtures plant and machinery engines boilers implements apparatus articles and things now in upon or about the said land buildings and hereditaments short particulars whereof are set out in the Second Schedule hereunder written (not being cotton yarn cloth wheat or the --- manufactured products thereof or any other part of the stock-in-

stock-in-trade manufactures raw material stores merchandise and effects and articles of a similar character) TOGETHER - with all other buildings erections fixtures plant machinery engines boilers implements apparatus articles and things - which may be erected standing placed or being thereon during the continueance of this security (not being in the nature of cotton yarn cloth wheat or the manufactured products thereof c or stock-in-trade manufactures raw materials stores merchandise and effects and articles of a similar character) AND TOGETHER with by way of grant and not of reservation all wells water-courses drains ways passages liberties privileges rights easements and appurtenances whatsoever to the said premises or any part thereof actually or by reputation belonging or anywise appertaining or usually held or occupied therewith or reputed to belong or be appurtenant thereto AND all the estate right title interest claim and demand of the Company in the said premises TO HAVE AND TO HOLD the said land buildings hereditaments and premises and all other the premises hereinbefore expressed or intended to be hereby transferred or implied by the transfer hereby made (hereinafter called the mortgaged property) UNTO and to the use of the Government its successors and assigns for ever subject to the proviso for redemption hereinafter contained PROVIDED ALWAYS and it is hereby agreed and declared that upon payment in manner herein provided of the said principal sum with interest and compound interest (if payable) thereon in the meantime at the rate aforesaid and other monies secured by these presents the Company shall be entitled at its request and cost to a retransfer of the mortgaged property to the Company or to such person or persons as the Company shall direct AND the Company doth hereby covenant with the Government that the Company will at all times during the continuance of the presentsecurity keep all buildings and erections plant and machinery now or hereafter during the continuance of this security standing and being on the premises hereby transferred and every part thereof in good state of repair and also insured

insured against loss or damage by fire in the sum of Rupees Four Lacs at the least in some Insurance Office in Bombay to be approved in writing from time to time by the Government and will forthwith endorse over the policy or policies of insurance or otherwise transfer the same into the name of the Government and will punctually pay all premiums or sums of money necessary for effecting and keeping up such insurance and will produce to the Government the receipt for every such payment two days at least before the same shall respectively become due to the Insurance Office AND that if default shall at any time be made by the -- Company in effecting or keeping up such insurance as aforesaid or in producing to the Government the receipts for payments of premiums at the time aforesaid or in keeping the said buildings and erections plant and machinery or any part thereof in good and substantial repair it shall be lawful for the Government to insureand keep insured all or any of the said buildings and erections or any part thereof in any sum not exceeding Rupees Four Lacs or (as the case may require) to repair and keep in repair and keep in repair the same and to pay all premiums or moneys necessary for such purposes AND that all moneys expended by the Government for such purposes together with interest thereon at the rate aforesaid from the time of the same respectively having been so expended shall on demand be repaid to the Government by the Company and until such repayment the same shall be a charge upon all the mortgaged property and shall be added to the principal moneys hereby secured and bear interest at the aforesaid rate accordingly and it is hereby agreed that the same shall further be a first charge on the entire subsequent net profits of the Company as shown in the Company's annual accounts without any deduction whatsoever therefrom as and by way of Depreciation Fund AND it is hereby further agreed and declared that the -- Government reserve to themselves the right to adjudge whether the mortgaged property is in good and substantial state of repair and for enabling them to so adjudge it shall be lawful for the

the Government whenever they may deem it necessary to get the said buildings and erections plant and machinery valued during the continuance of this security or so long as the mortgage money and interest thereon or any portion thereof shall remain unpaid - by experts to be appointed by Government the entire cost of such valuation being borne by the Company and if the valuation made by such expert or experts be at any time in the opinion of Governmen materially less than the valuation made in the year One thousand nine hundred and ten of the said buildings erections plant and machinery then and in any such case the mortgaged property shall be deemed to be not in good and substantial repair AND it is here- by agreed and declared that all sums of money received by virtue of any such insurance in respect of the destruction or damage by fire of the said buildings and erections plant and machinery shall be applied in or towards substantially rebuilding reinstating and repairing the said buildings and erections plant and machinery or such part thereof as shall have been destroyed or damaged or in discharge of the mortgage debt if the latter has then become due at the option of the Government AND the Company doth hereby cove- nant with the Government that during all such time as any money shall be due by the Company to the Government upon the security of these presents the Government shall have the right to nominate and keep two Directors to sit upon the Board of the Company and one Auditor the other Directors and Auditor or Auditors being -- appointed by the Company in terms of its Articles of Association with power to the Government from time to time to remove the --- Directors nominated by them or either of them and the said Auditor and others or another in their or his place to nominate AND ALSO that during the time aforesaid the books of the Company shall at all times be open for the inspection of the Government and their Auditor AND the Company doth hereby further covenant with the -- Government that the Company now hath full power to grant convey and transfer the mortgaged property in manner aforesaid free from incumbrances AND that the Company and every person having or ---

or claiming any estate right title or interest in or to the mortgaged property or any part thereof will at all times -- during the continuance of this security do and execute or cause to be done and executed all such acts deeds and things for the further or more perfectly assuring and transferring the mortgaged property or any part thereof to the use of the Government as by the Government shall be reasonably required. IN WITNESS WHEREOF the Common Seal of The Mysore Spinning and Manufacturing Company Limited hath been hereunto affixed and the Dewan of --- Mysore on behalf of the said Government of His Highness The --- Maharajah of Mysore hath hereunto set his hand and seal the day and year first above written.

THE FIRST SCHEDULE ABOVE REFERRED TO.

ALL that piece or parcel of land containing by admeasurement thirteen acres and one fourth of another acre or thereabouts situate lying and being on the old road leading from Bangalore to Tumkur known as the Tumkur Road in the Talook and Registration -- District of Bangalore in the Territories of His Highness the --- Maharaja of Mysore and bounded as follows that is to say on or towards the North by a dry Nullah extending from the said Tumkur -- Road to the Sampegey Avenue Road hereinfafter mentioned on or towards the South and the West by the said Tumkur Road and on or -- towards the East partly by the Sampegey Avenue Road leading to -- Malleshwaram and partly by a piece of vacant land belonging to -- Hoovadigar Ramakrishnappa TOGETHER with the Cotton Spinning and - Weaving Mill and the Flour Mill and the Engine houses boiler houses tank godowns warehouses outhouses and buildings thereon forming - and comprising the premises of the Mysore Spinning and Manufacturing Company Limited the whole of which said premises are now and have for many years past been in the possession and occupation of the said Company.

THE SECOND SCHEDULE ABOVE REFERRED TO.

Number of Machines.	LIST OF MACHINERY.
I	BLOW ROOM AND WASTE DEPARTMENT :--
1	Exhaust opener.
1	Double Crighton opener
2	Double Beater Scutchers
4	Single Beater Scutchers (one with Hopper spreader)
2	Thread Estractors
1	Roving Waste opener

1	Platt Bros. 4 Bearing Gin
1	Holts willow

II CARDS AND FRAMES :--

51	Roller and Clearer Carding Engines
7	Drawing Frames (each of 3 Heads). 44 deliveries
7	Slubbing Frames consisting of 522 spindles
11	Intermediate Frames " "1240 "
24	Roving Frames " 3520 "
3	Dronsfields R & C Grinding Machines
2	Card mounting Machines
14	Grinding Rollers

III RING FRAMES DEPARTMENT :--

40	Ring Frames consisting of 14704 spindles
40	Sets of Pulleys including C.I.Beams for hanging above (pulleys
57	Reels
1	Set Leather Roller Covering apparatus
1	Doubling Frame
1	Spindle Banding and balling machine
3	Bundling presees

IV WEAVING DEPARTMENT :--

2	Grey Winding Frames
1	Colour Winding Frame
1	Pirn Winding Frame
3	Warping Machines
1	Sizing Machine
1	Size boiling and mixing apparatus
1	Heald preparing Machine
5	Drawing Machines
3	24" Looms
12	28" Looms

32	32" Looms
32	36" Looms
25	42" Looms
12	45" Looms
39	50" Looms
26	50" Looms
24	70" Looms
18	76" Looms
1	Stamping Machine
1	Birches Sewing Machine
1	Singer's " "
1	4 Bowl Friction Calendering Machine
2	Plaiting Machines
1	Mote Clearing Machine
1	26" Hydro-Extractor
1	Hydraulic Baling Press & Pumps

ENGINE AND MECHANIC SHOP :--

3	Lathes
1	Shaping Machine
1	Drilling Machine
1	Teeth Cutting Machine
1	Grinding Machine
4	Lancashire Boilers 30' x 7'
1	Set of Economisers 6/4 s
1	500 H.P.Jet Condensing Compound Engine
1	Double Acting Donkey Pump
1	Fire Service Pump.

FLOUR MILL :--

1	Complete plant for grinding and grading 28 bags of wheat per day.

VII MACHINERY NOT SPECIFIED ABOVE :--

ALL gearing throughout the Mills including shafting, pulleys, ropes, belting; full complement of change wheels for all the machinery to spin from 6^s to 30^s yarn; testing and weighing machines; all - necessary pipes between Engines Tank, Donkey, Economiser and Boilers; all the length of piping and hydrant round about the Mills and godowns from the Fire Service Pump with all the Fire extinguishing appliances.

THE COMMON SEAL OF THE MYSORE SPINNING AND MANUFACTURING COMPANY LIMITED was hereunto affixed pursuant to a Reso -- -lution of the Board of Directors of- the Company passed at a meeting of the Board held on the Twenty Eighth day of September One thousand nine hundred -- and twelve in the presence of .....

Sd. O.J. Rodrigues.
Sd. James A. Latimer.
DIRECTORS
Sd. N. Sirur & Co.
AGENTS

WITNESES

Sd. R.S.B.
Accountant N.Sirur &Co.
Sd. P.S.C.
Cashier, Do.

SIGNED SEALED and DELIVERED by the Dewan of M y s o r e on behalf of the Government of His Highness The Maharajah of Mysore in the presence of .....

Sd. M. Visvesvaraya.
7-12-12

WITNESES

Sd. G. Aravamudiengar
Under Secretary with the Dewan
Sd. K. Govinda Row
Private Secretary to the Dewan of Mysore.

Presented at 4-15 P.M. on the 9th December 1912 in the office of the District Registrar of Bangalore by -- N. Sirur & Co.

Execution admitted by

N. Sirur & Co.

Executant Mr. N. Sirur is personally known to the undersigned.

Sd. B. J. K.

District Registrar.

Bangalore)
)
9th Decr. 1912.)

Registered as No.10 of Book I, Vol.32 pages 243-326, Fee paid Rs.633 only.

Sd. M. H.

14-1-1913. For Dt. Registrar.

G.R.S. 13]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

T/ W.R

Budget and Resource Department.

OFFICE OF THE COMPTROLLER, MYSORE GOVERNMENT.

DIARY NO. 3655

Dated Bangalore, the 20 March 1913.

No. A. B & R. 86

To

The Financial Secretary
to the Government of His Highness the Maharaja
of Mysore.

Sir,

I have the honor to acknowledge the receipt of the following with your letter No. *Fb 5286* dated *19 March 1913.*

G. 723-14-26

One Mortgage deed executed by the Mysore Spinning and Manufacturing Company Limited in connection of the loan of three lakhs advanced to them by Govt

I have the honor to be,
Sir,
Your most obedient servant,

S. Subramanya

Assistant Comptroller,
Mysore Government.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.